

Afghan rebels agree to consider U.N. plan

ISLAMABAD (R) — Afghan rebels agreed Tuesday to consider a United Nations peace plan as the basis for a settlement ending the 13-year-old civil war in Afghanistan. A joint declaration after two sessions of talks between the guerrillas and two of their main backers, Pakistan and Iran, said the participants "recognized positive points" in the five-point plan proposed last May by U.N. Secretary-General Javier Perez de Cuellar. "No statement could serve as a possible basis for a settlement for the 'Afghanistan problem,' it said. Iranian Foreign Minister Ali Akbar Velayati, the prime mover behind the talks, described them as a "turning point in...the struggle of the people of Afghanistan." Most Pakistan-based Mujahideen guerrilla groups and all of those based in Iran attended the meeting. The Mujahideen are fighting to overthrow the Soviet-backed Afghan government of President Najibullah. Mr. Velayati said a second meeting would be held in Tehran.

THE UNIVERSITY OF
AMMAN
SERIALS
LIBRARY

Jordan Times

An independent Arab political daily published by the Jordan Press Foundation
جورдан تايمز يومية سياسية تصدر بالإنجليزية عن المؤسسة الصحفية الأردنية الرأي

Volume 16 Number 4763

AMMAN WEDNESDAY, JULY 31, 1991, MUHARRAM 19, 1412

Price: Jordan 100 fils; Saudi Arabia 1.50 riyals; UAE 1.50 dirhams

Wounded Iraqi children leave for Germany

BAGHDAD (R) — A group of 22 Iraqi children wounded during the Gulf war left for Germany Tuesday where they will be treated for their injuries, the Iraqi News Agency (INA) reported. "These children are suffering from serious (injuries) that cannot be treated inside Iraq including fractures, burns, paralysis, lost limbs and blindness," INA said quoting a doctor accompanying the children. Doctor Kamal Fakouri said Arab and German humanitarian groups were organizing and paying for the trip. A group of 11 children went to Berlin for treatment earlier this month.

Moscow appoints first envoy to Bahrain

BAHRAYN (R) — The Soviet Union has appointed its first ambassador to Bahrain since they established diplomatic relations 11 months ago. The Gulf News Agency said the emir, Sheikh Isa Ben Salman Al Khalifa, received the credential of the envoy, Anatoly Gavryushenko, at a ceremony Tuesday attended by Foreign Minister Sheikh Mohammad Ben Mubarak Al Khalifa. Moscow set up diplomatic links with Bahrain, the only state in the Gulf region which it did not have formal relations, on Sept. 28, 1990.

U.S. to make deep military cuts overseas

WASHINGTON (R) — The U.S. military will soon withdraw from nearly 80 more overseas bases and facilities, mostly in Germany, and will leave about one-third of America's foreign bases by 1995, administration officials said Tuesday. The officials, who asked not to be identified, said the plan to end U.S. military presence at a third of some 1,600 foreign facilities over four years was a result of budget pressures and the easing of East-West tensions.

Tehran bazaar damage estimated in millions

NICOSIA (AP) — Merchants estimated that millions of dollars in carpets, fabrics and shops were damaged in a raging fire in Tehran's bazaar, the main business district, the daily Etelka reported Tuesday. The Farsi-language paper said four people were injured in the Monday fire, which took seven hours to control, but did not report details on their condition. It said that damage from the fire was estimated in billions of rials (tens of millions of dollars), but gave no precise figure. The bazaar is a warren of narrow alleys crowded with jostling shoppers and porters pushing wheelbarrows heavily laden with merchandise. It is divided into many sections. Merchants there supply the whole city with goods ranging from spices and underwear to gold. The area is one of the most densely populated of the capital. Tall, dusty buildings vie with smaller shops and houses. Bazaar merchants are among the wealthiest of Iranians, and pack substantial political clout. The 1979 Islamic Revolution was financed by bazaar merchants, who traditionally come from conservative, religious backgrounds.

Hizbullah believes hostages in no danger

BAALBEK, Lebanon (R) — A radical Shiite Muslim leader in Lebanon said Tuesday he believed two German hostages were no longer in danger from their captors. Hussein Musawi of the Hizbullah (Party of God) told Reuters, and the international television news agency Viasnews, the threat to the Germans, aid workers Heidrich Strubig and Thomas Kempner, should be over because of signs that two Lebanese brothers held in Germany were in good health. A group calling itself the Freedom Stragglers threatened to harm the Germans last week unless Bonn proved within 48 hours that the Hamadi brothers were not being mistreated.

Soviets get economic prize on first day of superpower summit

MOSCOW (Agencies) — U.S. President George Bush opened a superpower summit with President Mikhail Gorbachev Tuesday by proclaiming "an end to a long era as adversaries" and awarding the Soviet Union a long-sought economic prize of most-favoured-nation (MFN) status.

The announcement capped Mr. Bush's first day of meetings with Mr. Gorbachev and gave the Soviet president a shot in the arm for his stumbling economy.

Mr. Gorbachev gave Mr. Bush a warm welcome in the ornate St. George's Hall of the Kremlin, where Mr. Bush praised the Soviet president for abandoning Moscow's "old orthodoxy." Acknowledging the turmoil that has accompanied economic and political reform, Mr. Bush told Mr. Gorbachev, "we stand with you."

But Mr. Bush warned against any expectation of direct financial help.

"A shortage of foreign capital is not what plunged your economy into crisis, nor can your economic ill be cured by simple infusion of cash," the president said.

He said the step for the Soviet Union is to develop an economic plan with the International Monetary Fund (IMF) and World Bank to move from a centrally-controlled economy to a free-market system.

Mr. Bush promised to send to Congress a U.S.-Soviet trade agreement that will give Moscow many of the trade benefits enjoyed by America's closest allies.

He said he also would urge U.S. lawmakers to repeal restrictions limiting credits and trade for

the Soviet Union and would accelerate efforts to conclude discussions on taxation and investment.

Soviet presidential spokesman Vitaly Ignatenko, at a later briefing, spoke of Moscow's "paradoxical" approach to U.S. assistance. It was an apparent reference to Soviet hopes for U.S. financial help but its desire to remain economically independent.

Soviet economic relations with the United States should emerge "not from the feeling of inferiority," he said. "We want to be more predictable and understandable to your people."

"This summit marks a new beginning. "The prospect that we can put an end to a long era as adversaries, write a new chapter in the history of our two nations, forge a new partnership and sturdy peace," Mr. Bush said in remarks prepared for a speech at the Moscow Institute for International Relations.

With an arms agreement in hand and prospects for a Middle East peace conference, Mr. Bush said: "We need only compare the words of the cold war with our historic accomplishments in recent years to realize that the Soviet Union to funnel millions of dollars in military aid to Cuba."

Mr. Bush gave new emphasis to Japan's continuing dispute with Moscow over four islands seized by Soviet troops at the end of World War II, referring to the issue in both his opening remarks in the Kremlin and his speech to

(Continued on page 5)

Baker weighs whether to launch sixth Mideast peace mission

TEL AVIV (Agencies) — U.S. Secretary of State James Baker told Prime Minister Yitzhak Shamir Tuesday he would decide within a day whether to return to Israel to discuss the final obstacles to a Middle East peace conference.

"Secretary of State James Baker called Prime Minister Shamir from Moscow and said that he will tell him later in the day or tomorrow morning whether he will return for another visit to Israel," a statement from Mr. Shamir's office said.

Mr. Baker has suggested excluding Palestinians from Arab Jerusalem until a final stage of peace talks when the Holy City's future will be discussed.

Israel and the Palestinians have agreed to Mr. Baker's proposal for a peace conference.

Israel opposes the participation of any Palestinian from Arab Jerusalem and those representing the Palestine Liberation Organization (PLO).

Mr. Baker has suggested excluding Palestinians from Arab Jerusalem until a final stage of peace talks when the Holy City's future will be discussed.

As a result, Mr. Bush "most likely" will send Mr. Baker to the region if a deal cannot be struck by the end of summit discussions Wednesday, said a senior official who spoke in Moscow on condition of anonymity. Mr. Baker would meet separately with Israeli government leaders and a Palestinian delegation and possibly make other stops as well.

Brent Scowcroft, Mr. Bush's national security adviser, said "I'm not sure how likely" the two leaders are to announce a Mideast conference at the sum mit, although the subject was high on their agenda. But if a conference is convened, he said in a CBS Television interview, it

President George Bush and Soviet President Mikhail Gorbachev hoped to announce the

conference during their summit talks that began in Moscow Tuesday. But the dispute over which Palestinians would join peace talks persists, despite compromise attempts from afar.

As a result, Mr. Bush "most likely" will send Mr. Baker to the region if a deal cannot be struck by the end of summit discussions Wednesday, said a senior official who spoke in Moscow on condition of anonymity. Mr. Baker would meet separately with Israeli government leaders and a Palestinian delegation and possibly make other stops as well.

Mr. Baker has suggested excluding Palestinians from Arab Jerusalem until a final stage of peace talks when the Holy City's future will be discussed.

Israel and the Palestinians have agreed to Mr. Baker's proposal for a peace conference.

President George Bush and Soviet President Mikhail Gorbachev hoped to announce the

(Continued on page 5)

PLO works on consensus among its factions over peace process

By Marjam M. Shahim
Jordan Times Staff Reporter

AMMAN — A Palestinian consensus on the ongoing U.S.-led efforts to convene Middle East peace talks is being worked out among the various factions and parties that make up the Palestine Liberation Organisation (PLO), a senior PLO official said Tuesday.

This is not a question of which party or group has more points or the greater muscle but a question on the future of a people," PLO Executive Committee member Mohammad Milhem said on his return from Tunis, where the PLO leadership is meeting.

The different groups are still meeting to iron out their differences on internal and external issues, including the American peace proposal," Mr. Milhem said.

Leading members of two major PLO factions based in Damascus were quoted as saying that the

PLO leadership's talks with dissident factions were not going well.

"The talks are going in a vicious circle. They have not dealt with the fundamental differences on internal and external policies," Nayeef Hawatmeh, leader of the Democratic Front for the Liberation of Palestine, was quoted as saying by Reuters.

A spokesman for the Popular Front for the Liberation of Palestine in Damascus was also negative about the contacts when he told Reuters that "some people in the PLO leadership are not serious about putting the Palestinian house in order."

The DFLP and the PFLP were represented in the PLO delegation to the Damascus talks last week, along with Fatah and the Palestinian Communist Party.

They met leaders of four dissident Palestinian groups.

Mr. Hawatmeh said that in the talks the PLO delegation demanded two groups — the Fatah uprising of Abu Musa and the

(Continued on page 3)



An Israeli policeman checks a Palestinian's identity card in the occupied Jerusalem as others wait for their turn.

Settler stabbed in Hebron market

OCCUPIED JERUSALEM (Agencies) — Two Palestinians stabbed and wounded a Jewish settler in the occupied West Bank city of Hebron Tuesday, security sources said.

A witness told army radio that Palestinians stabbed Yuval Deutch, 24, in the back while he was walking to a synagogue through the city's open-air chicken market. He was moderately wounded and taken to hospital.

The settler was studying and living at a Jewish seminary in Hebron. A small group of ultra-nationalist Jews live under heavy guard in the heart of the Arab city of Hebron.

The assailants snatched the settler's gun, security sources said. The army clamped a curfew on the city and arrested dozens of Palestinians.

Israeli troops shot dead a Palestinian in the occupied West Bank and another Palestinian said Jews had stabbed and beaten him in Jerusalem Monday, the army and Israel radio said.

Nabil Hamad, 21, was shot dead by troops near Silwan in the area of Ramallah in the West Bank, an army spokeswoman said.

Israeli police were searching for three Jews who beat and stabbed a Palestinian youth in Jerusalem Monday, Israel Radio said.

It said the youth, whose name and condition were not given, told police he was stabbed and hit with a stone by Jews.

In the Gaza Strip, military sources said three army officers were arrested after a Palestinian textile factory owner complained that they forced him at gunpoint to make out a cheque for 750,000 shekels (\$300,000).

Ziad Al Yazyi, 45, told Reuters four soldiers forced him to give them the cheque at his factory just outside of Gaza City Friday evening. Mr. Yazyi reported the incident to the army.

On Monday Mr. Yazyi identified three of the soldiers in a lineup at the local military headquarters and they were arrested.

He said the soldiers told him he owed the money to an American businessman. There had been a dispute several years ago over \$100,000 worth of goods sold him by an American, Yazyi said, but it had been settled.

(Continued on page 3)

Egypt says Israel cannot have Arab land and peace together

CARIO (Agencies) — Egypt's foreign minister told his Israeli counterpart Tuesday that the Jewish state cannot keep occupied Arab territory and maintain peace at the same time. He urged Israel to be flexible.

But the depth of their disagreement was obvious when a question was raised about U.N. Resolution 242, which demands that Israel return territories occupied in the 1967 war and that all states in the region respect the sovereignty and security of all others.

Asked how Israel interprets the resolution, Mr. Levy said: "There are a number of interpretations of U.N. resolution 242. Israel has its own interpretation."

Mr. Levy, who was not asked, stepped to the microphone as Mr. Levy finished and said any Arab-Israeli negotiations will be about carrying out Resolution 242, not about the resolution itself.

Israel maintains that giving back the Sinai peninsula to Egypt

in 1982 fulfilled its obligations under the resolution.

Resolution 242 "includes principles that have to be carried out," Mr. Musa said. "The talks will be about ways and means to implement the resolution and the principles it includes, not about its interpretation."

He said Egypt hopes Israel's interpretation will conform to the one accepted internationally.

"Establishing peace depends on carrying out these principles that the international community has decreed about the territories and security," the Egyptian minister said. They "are the basis for establishing a just peace in the region."

Earlier in the day, Mr. Levy dampened hopes of a breakthrough in his talks with Egyptian leaders on setting up a U.S.-sponsored Middle East peace conference.

(Continued on page 5)

Islamists, centrist party boycott Algeria conference

ALGIERS (AP) — A leading centrist party Tuesday pulled out of government-sponsored talks on organising democratic elections. The main Islamic fundamentalist party also boycotted the meeting.

The Socialist Forces Front said as the multi-party conference began that it was withdrawing because the government barred journalists from attending.

The fundamentalist Islamic Salvation Front (FIS), the country's main opposition coalition, said Monday it was boycotting the meeting to protest the government's refusal to free its detained leaders and lift a state of emergency.

The top two leaders of the front were arrested last month after widespread anti-government protests left dozens dead.

In all, six of Algeria's 50 registered parties were not participating in the talks, which the government hoped would consolidate plans to hold the country's first multi-party parliamentary elections by the end of the year.

The Socialist Forces Front said in a communiqué that it joined Tuesday's conference "to carry out preparation of free and honest legislative elections at the earliest date possible."

But its representatives walked out immediately after the preliminary session with Premier Said Hammam Ghazali because journalists were not allowed in the meetings.

It also said it opposed "all practices that divide the parties

involved, support an illegitimate power and delay the lifting of the state of emergency."

The state of emergency was imposed in early June and gives police and the military wide-ranging powers of search and arrest.

The FIS had also demanded a lifting of the state of emergency, which was imposed for four months, as well as the release of its two leaders, Abassi Madani and Ali Benhadj.

Mr. Ghazali said the conference had "no undeclared goals, no hidden intentions" as oppositionist charge.

"We are here to resolve the crucial problems of our country," Mr. Ghazali said, adding that similar meetings would be held with economic, social and professional organisations.

Legislative elections had been gazetted for June 27, but were scrapped when the protests and strikes broke out with the beginning of campaigning.

Nearly 6,000 people, mostly FIS supporters, were arrested under the state of emergency, including Mr. Madani and Mr. Benhadj, who had called for a holy war to topple the government.

The front won a majority of council seats in nationwide local elections 14 months ago in the first national balloting since a ban on opposition parties was lifted in 1989.

President Chadli Benjedid's National Liberation Front (FLN) had independence from France in 1962.

Middle East News

Iraq's economy, squeezed by sanctions, teeters on the brink

By Nicholas Phythian
Reuter

BAGHDAD — In the gold souks of Baghdad, black-robed women sell their jewellery to buy food for their families.

Thieves prowl the streets of the capital and other cities stealing cars, breaking into homes and occasionally robbing passersby at gunpoint.

Iraq war, appears on the verge of economic collapse.

"In Baghdad, you do not get the complete picture and it's difficult to say how long they can go on but I think that in the provinces maybe they can only last for several months," said one diplomat.

Iraq paints a more dramatic picture, saying the U.N. trade blockade, imposed within days of Iraq's Aug. 2 invasion of Kuwait, is starving its people and denying them the spaces it needs to maintain supplies of power and clean drinking water.

But any easing of sanctions — Iraq wants to sell \$1.5 billion worth of oil to buy food and medicine — will only be a small step on a long road to economic recovery.

"Whatever way you look at it it's big problems for them," one diplomat said.

Iraq is a rich country, sitting astride the world's second largest known oil reserves. It was the second largest exporter before the Gulf crisis, earning some \$15 billion in 1989.

But it emerged from the Gulf war, its second major conflict since 1979, deep in debt and with much of its industrial infrastructure smashed.

The statistics make grim reading.

Iraq has debts of more than \$60 billion.

Production of oil, its economic life blood, is barely a third of its pre-war output.

Iraq's Oil Minister Usama Al Hiti said last month output would

not reach its OPEC quota of 3.2 million barrels per day until the end of 1992.

"The war has set Iraq's oil industry backwards several years," a representative of a major U.S. oil company said. "It will be a slow, agonising process for Iraq to return as a major oil producer."

Iraq's northern oilfields, which produced about 1.3 million bpd, survived the war relatively unscathed. Its southern fields suffered badly although it has said it expects to be producing one million bpd from there by December.

But a resumption of exports also depends on Iraq being able to pump or ship its oil to the world.

Turkey and Saudi Arabia have closed the pipelines through which 90 per cent of its oil passed and its Gulf oil terminals are crippled.

Mr. Hiti told the government newspaper Junhuriya Sunday the pipeline to Turkey — which has a capacity of 1.6 million bpd — is ready for use while repairing the Suez Canal is a priority.

Diplomats said Iraq, which has taken steps to renew ties with Turkey, was discussing the reopening of the pipeline. No decision has been taken.

Pumping of the oil is in turn dependent on reliable power supplies.

Iraq's Industry Minister Amer Hammoudi Al Saadi says power generation is back to almost one third of its pre-war capacity.

But a U.N. fact-finding team said Iraq urgently needs spares from abroad. "Barring this, power output can be expected to decline from now on."

"If they have nothing but oil it's enough," one diplomat said.

Foreign businessmen — anonymous men in suits who say they are visiting friends — proliferate in the lobbies and bars of the smarter hotels. "People are looking for possibilities," one diplomat said.

During its 1980-1988 war with Iran, Iraq was bankrolled by

Saudi Arabia, Kuwait and the United Arab Emirates, who feared the spread of Ayatollah Ruhollah Khomeini's Islamic revolution.

Its invasion and occupation of Kuwait ended any hope of such help from that quarter.

Other legacies of the Gulf crisis threaten to stifle any economic recovery.

Iraq has assets abroad estimated at \$3.5 billion but these assets, held mainly in the United States, Britain and France, are frozen.

The uncompromising Security Council ceasefire terms imposed after the Gulf war limit the money it can earn.

Some must go into special funds to pay compensation to Kuwait and other countries and to pay for the scrapping of its weapons of mass destruction.

The U.N. is also considering strict controls on Iraq's imports to prevent it acquiring such weapons in the future.

Diplomats predict a dramatic shift in Iraq's priorities.

"They will be compelled to convert their military industries as it's impossible to restore everything that was destroyed," one diplomat said.

Diplomats also predict a drive towards self-sufficiency.

Iraq, although the fertile land around the Tigris and Euphrates has fed man since the dawn of civilisation, imported 70 per cent of its food. "They have the possibility to feed themselves without any imports," one diplomat said.

Iraq also imported most of its machinery and spare parts.

But at the end of the day, it still has its oil.

"If they have nothing but oil it's enough," one diplomat said.

Foreign businessmen — anonymous men in suits who say they are visiting friends — proliferate in the lobbies and bars of the smarter hotels. "People are looking for possibilities," one diplomat said.

During its 1980-1988 war with Iran, Iraq was bankrolled by

Talabani says he has British support for Kurdish bank

LONDON (R) — Kurdish rebel leader Jalal Talabani asked British Prime Minister John Major Tuesday to back a proposal to use part of Iraq's future oil earnings to set up an international-backed bank to rebuild Kurdistan.

"We asked his support... to found a bank with a share of Iraqi oil (revenue) for reparations to the Kurdish people," Mr. Talabani told a news conference after meeting Mr. Major.

Acknowledging Mr. Major responded, he said: "I think we got his support for our cause."

Mr. Major's office said he gave Mr. Talabani a sympathetic hearing on the proposal but made no promises.

A spokesman suggested Britain had a U.N. suggestion that Iraq should be allowed to sell oil under U.N. supervision with the funds used for humanitarian purposes.

Mr. Talabani said he suggested that some Iraqi assets frozen after Iraq's invasion of Kuwait last August should be released to buy food and medicine for Iraqis and Kurds suffering because of U.N. sanctions.

He said Kurdish experts estimated it would cost at least \$2 billion to rebuild 4,000 Kurdish towns and villages.

He said he asked Mr. Major for help to build camps for 600,000 homeless Kurds.

Thousands of Kurds fled to Iraq's border with Iran fearing renewed Iraqi attacks against Kurdish fighters in Sulaimaniyah, scene of violent clashes earlier this month.

Mr. Talabani, leader of the Patriotic Union of Kurdistan, said the situation in Sulaimaniyah was under control and the clashes did not have a negative impact on autonomy talks with Baghdad.

Asked about the progress of the talks on granting the Kurds a measure of autonomy, he said the problem blocking a deal was not territory but democracy.

"In Iraqi Kurdistan we are struggling for democracy first, then Kurdish national rights within the framework of a democratic Iraq," Mr. Talabani said.

The inclusion of the oil-rich of Kirkuk, inhabited by Kurds, Turkmen and Arabs, is the autonomous region is one of the most complicated issues in the talks.

Mr. Talabani insisted Kirkuk was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani, the first Kurdish rebel leader to be received by a British prime minister, thanked Mr. Major for his role in setting up so-called safe havens in northern Iraq for Kurdish refugees.

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani, the first Kurdish rebel leader to be received by a British prime minister, thanked Mr. Major for his role in setting up so-called safe havens in northern Iraq for Kurdish refugees.

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani, the first Kurdish rebel leader to be received by a British prime minister, thanked Mr. Major for his role in setting up so-called safe havens in northern Iraq for Kurdish refugees.

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani, the first Kurdish rebel leader to be received by a British prime minister, thanked Mr. Major for his role in setting up so-called safe havens in northern Iraq for Kurdish refugees.

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani, the first Kurdish rebel leader to be received by a British prime minister, thanked Mr. Major for his role in setting up so-called safe havens in northern Iraq for Kurdish refugees.

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani, the first Kurdish rebel leader to be received by a British prime minister, thanked Mr. Major for his role in setting up so-called safe havens in northern Iraq for Kurdish refugees.

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "I think the main problem is not Kirkuk but the question of democratisation."

Mr. Talabani insisted Kirkuk

was historically Kurdish but indicated the issue was not insurmountable. "

Jordan Times

An independent Arab political daily published in English by the Jordan Press Foundation.
Established 1975
الجريدة العربية الوحيدة في الأردن التي تنشر باللغة الإنجليزية

Chairman of the Board of Directors:
MAHMOUD AL KAYED

Director General:
MOHAMMAD AMAD

Editor-in-Chief:
GEORGE S. HAWATMEH

Editorial and advertising offices:
Jordan Press Foundation,
University Road, P.O. Box 6710, Amman, Jordan.
Telephones: 667171/6, 670141-4
Telex: 21497 ALRAI JO
Facsimile: 661242

The Jordan Times is published daily except Fridays.
Subscription and advertising rates are available from the
Jordan Times advertising department.

Pride in the wings

IN HIS letter of appointment to Prime Minister Taher Masri, His Majesty King Hussein, the Supreme Commander of the Armed Forces, said he had given orders to "reorganise the Armed Forces emphasising quality and balance rather than quantity to make them more professional and capable." Knowing the Jordanian military and their love and loyalty to their supreme commander, the King's orders will have been translated and put into effect already. The question that raises itself, however, is whether the same process be applied to our civil service and servants. Could or would anyone issue orders that the civil service be "reorganised emphasising quality — rather than quantity to make it more professional and capable?"

In his policy statement to the Lower House of Parliament, Mr. Masri said: "The government realises that public administration requires constant improvement and modernisation" but that the government faces difficulties in any attempts to streamline the public sector. Ministers have been talking about constraints of "tradition," "tribalism," "employment" and "regulations" as factors that limit any attempt to reform the bureaucracy of government. This is nonsense. If we are determined to pursue true democracy and true economic and political reforms then we have to start at our central "nervous" system: Public administration. This country, like any country in the world, will never function as it should, let alone attain ambitious goals, unless the executive branch of government is made dynamic rather than sluggish, skilled rather than incompetent and efficient rather than wasteful. We agree that this cannot be made by decrees, but rather by serious work sifting through the mountains of rules and regulations that limit the sector's proper functioning and stifle efficient management and production. It also requires boldness and statesmanship when addressing personnel, especially department heads who more often than not won their jobs as a result of their tribal and economic affiliations rather than because of their competence and management skills.

Many department heads, it is well known, only fill their positions for prestige and not as the case should be out of eagerness to offer their services to society. Many of these departments stagnate and wither under those director-generals and chiefs. Without belittling whatever feats this government might manage to achieve, civil service should be its major challenge. If it succeeds in reforming public administration, Mr. Masri and his colleagues would leave their imprint on Jordan for generations to come. If this could be done, it alone is capable of providing the sense of pride and achievement that every member of the Cabinet should aspire to. If the idea, on the other hand, is to play it safe... well, it will be Jordan and the Jordanians who will continue to pay the price.

ARABIC PRESS COMMENTARIES

THE continued economic embargo on Iraq coupled with the silence on the part of the Arab regimes are two crimes requiring condemnation because they are directed against the lives of 18 million people, said Al Ra'i Arabic daily Tuesday. The paper said as much as it is a crime perpetrated and implemented by the U.S. alliance against the Iraqis as much as it is a crime by those Arabs aligning themselves behind the U.S. and the Arab League which has yet done anything to end the injustice. History will not forgive the U.S., Britain and France for their atrocities against humanity nor will history forget the Arab regimes which are helping the aggressors and those with hands stained with blood, said the paper. This continued embargo on Iraq is a crime unprecedented in history and one that gives clear indication to the countries of the Third World that the Western alliance is bent on punishing any of them any time with the same degree of atrocity. This insistence on the part of the Western alliance to pursue the acts of crimes against the Iraqi people, can only manifest the depth of the hatred and the malice they harbour against the Arab and Islamic countries, the paper added. It is indeed surprising to hear the Western countries speaking about human rights and justice at a time when it is showing its total hostility towards other nations now exposed to starvation, diseases and extermination, the paper said.

All American wishes and Washington's drive to secure a favourable reply from the Israeli government before the U.S.-Soviet summit, have gone in vain, said Al Dastour. The summit is now under way in Moscow without the Israeli reply to Washington's peace bid and without any sign that the Israeli government has softened its stand, the paper noted. Israel's failure to send a reply in time shows that it is still determined to escape any pressure that might be imposed by the U.S.-Soviet summit and a desire not to commit the Jewish state to any pledge or promise to take part in a peace conference or offer concessions to the Arabs, the paper said. We believe that the U.S.-Soviet summit ought to find some sort of reply to such intransigent stand and embark on a meaningful steps leading to the peace conference and a subsequent settlement of the Arab-Israeli conflict, said the paper. If the Soviets and the Americans are really oriented to settle this regional problem and establish peace and security in the region, they should not lose this opportunity, the paper added. It said that the Arabs do not expect miracles to come out of this summit, but at least some kind of firm action that would open the door for peace.

Economic Forum

Economic policies between tactics and strategy

IT is my impression that the Jordanian economy is transiting into a new era replete with promising prospects. The economic policy should also undergo a parallel transition if a better economic future for the country is to be forged. In terms of good faith, there is every reason to believe that the economic team in the new government will make every possible effort to devise policies capable of effecting the necessary transition. But judging by what I have heard and read so far, there is also every reason to suspect that this effort might fail. That is because we do not seem to command adequate courage to disengage ourselves from past tracks and abandon deep-rooted economic policy norms based on the domination of the public sector and civil servants, at least not as quickly as is warranted by the tempo of events and circumstances. But it is also fair to wait for some time before making a final verdict. This is not, however, a source of pessimism. I certainly believe that the Jordanian economy is resilient enough as to make a headway during the next few years irrespective of the nature of the contribution of the economic policy. Putting it differently, the Jordanian economy will fare in a satisfactory way during the next few years; if the economic policy does not hamper its movement, it will fare even better.

Economic historians will find that the performance of the Jordanian economy in the second half of the 20th century was a

function of external factors and developments. Development planning which Jordan adopted since the early sixties and which was supposed to encompass our "distinct" economic policies was so much indicative in nature and ineffective in results to the extent that it crumbled the minute those external factors shifted into a direction not favourable to us.

Thus, and despite appearances, our economic policy has never had an identity of its own. When we tried in 1988 to have one, our economic policy managers did that in the wrongest way conceivable, so that the results were shockingly catastrophic. That was of course the sad story of currency devaluation and the unprecedented, very aggressive, taxing policy which has been set loose with the adoption of the Provisional Income Tax Law No 40, 1989 adopted since November 1989 and is puzzlingly still effective despite being rejected by both houses of parliament.

Economic policies are built around strategies. Present examples from the Middle East area include Turkey whose economic strategy seems to emphasise light industrialisation and light industry exports. Tunisia's strategy tends to encourage all sorts of exports and to provide very generous incentives for that. The characteristic feature of Lebanon's strategy is free market economy that borders on laissez faire. Syria has practically had a strategy of self-sufficiency. What is ours?

Official announcements suggest that the government has in

store detailed and practical designs to combat sluggish economic growth, inflation, poverty and unemployment. That is heartening and observers will wait to know such designs and judge their practicability with great anticipation.

Last Sunday, daily newspapers reported an "ambitious national scheme" for solving unemployment, which would be announced and implemented soon. According to the scheme, the government will prepare hundreds, or thousands, of very small projects outside Amman, particularly in rural and desert areas and pass them to unemployed graduates of universities, colleges and secondary schools. If it works, such a scheme would be a pioneering breakthrough. The very dangerous aspect of it is that it is based on the implicit assumption that the Jordanian bureaucracy is qualified enough to set up the envisaged projects. If that assumption turned out to be unfounded, the scheme will be more of a day dream.

However, the message to be read here is that such solutions to unemployment, for example, belong to tactics which cannot provide the fabric of economic policies. The right strategic approach in this particular case is to have schemes to make rural and desert areas a pleasant place to live in. Small projects in this case will spring up in hundreds and even thousands there. That makes economic policy.

Winners and losers in wake of Gulf crisis

By John Fullerton
Reuter

CAIRO — Iraq's invasion of Kuwait a year ago Friday, and the Gulf war that followed, overturned the Middle East balance of power more dramatically than any event since Israel's victory in the war of 1967.

Iraq and most of its sympathisers ended the year on the sidelines, financially crippled and militarily impotent.

The regional powers which fought against it emerged safer, stronger, internationally respected and in some cases richer.

Only where the Gulf crisis tangled with the Arab-Israeli conflict, in the case of Israel, Jordan and the Palestinians, is it too early to say who were the winners and who the losers.

The biggest loser must be Iraq itself, which one year ago had the wealth, military might and diplomatic prestige to intimidate its Arab neighbours, seduce Egypt into a regional alliance and pose as the Arab champion against Israel.

Baghdad now stands virtually alone, prey to U.N. inspectors and foreign powers intent on dismantling its arsenal, protecting its minorities and supervising its economy through sanctions and compensation funds.

Egyptian President Hosni Mubarak who sent 35,000 troops to fight Iraq in Kuwait, has emerged stronger internationally, more popular at home and, most important of all, free of most of the massive debt that had crippled attempts to stimulate Egypt's economy.

As Washington's best friend in the Arab World, Mr. Mubarak was quick to nudge Arabs into supporting the U.S.-led coalition that forced Iraq's occupation troops from the emirate in February.

Syrian leader Hafez Al Assad, long regarded in the West as a radical outsider, was also prompt in joining the alliance against his main Arab rival.

By sending troops to join the U.S.-led forces, Mr. Assad not



only helped shatter the military might of a country ruled by a rival wing of the Baath Party, but also consolidated his hold on Lebanon and won the respect of Western leaders.

During the crisis, U.S. President George Bush met Mr. Assad in Geneva — the first meeting between U.S. and Syrian heads of state for more than a decade.

Building on his new role of Middle East power broker, Mr. Assad last week gave his blessing to U.S. Secretary of State James Baker's proposals for bridging the Arab-Israeli divide.

Saudi Arabia, the world's largest oil exporter, has emerged from the crisis with a greater

sense of security.

The speed and size of the allies' military buildup did much to reassure the ruling family, while Riyadh apparently feels that the domestic ripples caused by the presence of so many Western troops on its soil can be contained in the short term.

The winners are by no means confined to the Arab World.

Turkey provided allied aircraft with bases, cut Iraqi oil export pipelines and later gave the allies the logistic support to create a Kurdish "safe haven" in northern Iraq.

In July, Mr. Bush became the first U.S. president to visit Turkey since Eisenhower in 1959 and

he promised his hosts a new era in strategic cooperation.

Mr. Bush also endorsed President Turgut Ozal's proposal for talks between Turkey, Greece and Turkish and Greek-Cypriot leaders to solve the 17-year-old dispute over divided Cyprus.

As for Iran, its careful neutrality allowed it to keep its revolutionary credentials while renewing ties with Europe and seeking contacts with the very Gulf Arab states that had backed Iraq in the 1980-88 Iran-Iraq war.

Tehran also profited by windfall oil revenues, from higher crude prices during the crisis, which enabled it to start implementing long-awaited econo-

mic reforms at home.

Among the losers are the states which opposed the military campaign to drive Iraqi forces out of Kuwait, some in the mistaken belief that the United States would not dare attack or, if it did, the war would drag on for years.

Yemen's pro-Iraqi sympathies led to an exodus of up to a million Yemeni workers from Saudi Arabia.

Jordan, which shrewdly stayed out of the Gulf war despite a barrage of Scud missiles, looks like a winner if only because the Arabs have offered direct talks for the first time since the Jewish state came into being in 1948. But it also looks potentially isolated, even from the United States, if it turns down U.S. proposals on the peace conference where Israel could come under pressure to withdraw from Arab territory.

Israel, which shrewdly stayed out of the Gulf war despite a barrage of Scud missiles, looks like a winner if only because the Arabs have offered direct talks for the first time since the Jewish state came into being in 1948.

Opponents of the occupation argue that long-range missiles such as Iraqi Scuds underlie the excuse that Israel needs its territories to give it strategic depth in case of attack.

The Palestinians and the Palestine Liberation Organisation (PLO), which seemed to stand side by side with Iraq, already count themselves among the big losers from the crisis.

PLO Chairman Yasser Arafat lost millions of dollars in annual income from Gulf Arab states, his international prestige is at rock-bottom and he is in danger of being ignored in negotiations on the future of the West Bank and Gaza Strip.

Jordan, which lost financially from U.N. sanctions against Iraq, its major trading partner, has managed to rehabilitate itself politically. U.S. and other Western politicians are already beating a path to Amman to consult His Majesty King Hussein on the Middle East peace process.

European Community: Everybody wants to join

By Sally Jacobsen
The Associated Press

BRUSSELS, Belgium — The European Community has become the most sought-after membership on the continent and, like any exclusive club, is in no hurry to accommodate the imploring throng.

A stack of applications awaits the attention of the wealthy trading bloc's dozen current members. It probably will continue waiting until at least 1993, after the EC has completed its unity plan.

"We have to protect ourselves against the danger of dilution," said Mark Eyskens, the Belgian foreign minister. "We... first have to structure our political union before opening the doors."

Negotiations are to be finished this year on a new constitution merging foreign, economic and monetary policies into a loose structure with 12, "said Franz Andriessen, an EC vice president. "There's no reason to believe it would be easier to do that with 18."

Still, officials interviewed say the community will expand in the next decade or so, growing to 18 members or more by adding nations in Scandinavia and Eastern Europe. Current members are Belgium, Britain, Denmark, France, Germany, Greece, Holland, Ireland, Italy, Luxembourg,

Portugal and Spain. In principle, "we have to be ready to accept all the European states," said Italy's foreign minister, Gianni de Michelis.

By its timetable, three or four West European countries are likely to join by mid-decade, with several in Eastern Europe signing up by 2000.

So far, Austria, Cyprus, Malta, Sweden and Turkey have applied. Czechoslovakia, Finland, Hungary, Norway and Poland could do so by the end of next year, officials predicted, and others might include Switzerland, Iceland and Bulgaria.

The variety of applicants from poor Turkey to wealthy Austria and Sweden poses problems for the community.

"It will be very difficult to say 'yes' to Austria and 'no' to Turkey and explain why certain countries can enter and others cannot," an EC official said, on condition of anonymity.

Turkey and the new democracies of Eastern Europe are eager to tap the riches of their western neighbours, but are so economically backward that early membership would be a drain on community resources.

Austria and Sweden would be attractive members economically, but their neutrality on security issues could blunt the community's pursuit of a common policy in foreign affairs, and possibly defeat.

"Neutrality poses a problem..."

unless one gives up the idea of the community one day having a common defence policy," Jacques Delors, president of the community's executive body, told reporters recently. "I am not giving that up."

Ireland now is the only neutral member. All the others belong to the North Atlantic Treaty Organisation.

Some analysts say the end of the cold war changed the meaning of neutrality.

"To be neutral meant something when you were between two alliances," said Dominique Moïsi, deputy director of the French Institute of International Relations. "Now that one alliance has collapsed what does that mean?"

Turkey, a populous Islamic country at the southeastern edge of Europe, could present the most vexing problem.

It applied for membership in 1987. Two years later, the community said it would not accept new members before 1993, then went on to complain about Turkey's economic and human rights problems.

Greece objects to Turkey's membership for its neighbour because of the presence of Turkish troops in Cyprus, which the Turks invaded in 1974. The enmity has blocked the release of nearly \$700 million in EC aid to Turkey.

Many in the EC fear admitting Turkey would set off a mass migration of unemployed work-

ers to the wealthier countries and require an enormous amount of aid to build its economy. Some argue that Turkey, more in Asia than in Europe, is too different in culture and religion.

"They don't want Turkey to become a member (for) a lot of reasons," Mr. Moïsi said, but "they don't want to offend Turkey either."

Nihat Akyol, deputy Turkish delegate to the EC, said: "The community cannot politically say no... Turkey is a European country. The criteria set up are filled by Turkey."

Mr. De Michelis of Italy believes Turkey should be let in, although not in this decade.

"We have to demonstrate to the Islamic and Arab World that we are not creating inaccessible borders," he said. "Turkey is the best way for demonstrating it."

The community is trying to draw some nations closer without giving them full membership.

Austria, Sweden, Norway, Finland, Switzerland, Iceland and Liechtenstein are completing an accord to join the community's single market when it opens in late 1992.

The European Community intends to dismantle trade barriers by that date and create the world's largest market, with 372 million consumers.

Czechoslovakia, Poland and Hungary are negotiating association agreements that would give them trading advantages and

LETTERS

More important than languages

To the Editor,
AS an Eritrean living in Jordan I was of course interested to read the article on page 2 of the Jordan Times of Monday 22 of July 1991. Of course all Eritreans are pleased with the fact that the vicious and brutal regime of Mengistu has fallen, and that the whole of Eritrea is now being run by Eritreans.

However, I feel that I should point out that Eritrea is not an Arabic-speaking country, though there is a small minority who speak Arabic. There are several languages that Eritreans speak as their mother tongues. Which of these languages will become the national one or ones is a subject that will be discussed as Eritrea proceeds towards independence from Ethiopia.

Since there has not been a census carried

Baker weighs new Middle East mission

(Continued from page 1)

would take place in the fall. The joint sponsorship of a peace conference is a significant step in U.S.-Soviet cooperation which is being reactivated at the summit in various ways, including the signing of a treaty to sharply reduce U.S. and Soviet long-range nuclear weapons.

Soviet Foreign Minister Alexander Bessmertnykh said Monday "the time is right" for Moscow and the United States to sponsor a peace conference.

Trying Tuesday to entice Israel to say yes, he again dangled the prospect of renewing Soviet relations that were broken by Moscow in 1967.

"It may be very close," Mr. Bessmertnykh said (see page 2).

He tied the pace of upgrading the existing, semi-formal ties, to the opening of peace talks.

A senior official aboard the plane that brought Mr. Baker to Moscow from Mongolia told reporters Monday: "This is a good example of an area in which our relationship with the Soviet Union has gone from confrontation first, to cooperation, and now to partnership."

The official, who spoke on condition he not be identified, said the Soviets "have been very helpful."

Palestinians in the occupied territories doubted that peace talks would get off the ground if Israel refused to accept the PLO and an Arab Jerusalem delegate. They also suspected the talks, if

they did start, would not solve their problems.

"Israel has been blocking the peace process by introducing new conditions one after another," said Saeb Erekat, a political science professor at Al Najah University in the West Bank city of Nablus.

Mr. Erekat, also accused the Israeli government of spoiling the peace climate by continuing to demolish homes of Palestinians suspected of resistance activities while increasing the Jewish presence in the occupied territories.

"There is no way that we can imagine the peace process going at the same time that Israeli bulldozers are demolishing our homes and the Israeli government is still building more settlements," Mr. Erekat said.

Radwan Abu Ayyash, a journalist, said the PLO already had compromised by not insisting its leaders such as Yasser Arafat sit in on a peace conference.

"The flexibility shown by the PLO is a proof that the Palestinians are willing to see peace prevail," he said.

But he added that Palestinians feared that Americans would go along with Israeli demands on conference delegates and ignore the Palestinians' dream of having their own state.

"We are concerned about the kind of participation in a peace conference and if such a conference might achieve something concrete," Mr. Abu Ayyash said.

In the streets of the occupied territories, where most people

regard the PLO as their political representative, fears also were expressed that the latest round of diplomacy would bypass the 1.7 million people living under occupation.

Some Palestinians said they worried the American push for negotiations will end with peace between Israel and its Arab neighbours but with the Palestinian problem unsolved. They compared it to the U.S.-sponsored Camp David accords that led to an Israeli-Egyptian peace.

The 1978 accords offered the Palestinians a limited "autonomy" to be followed by talks later on the occupied territories' final status.

Hardliners oppose any solution that does not specifically lead to a Palestinian state.

"All parties have to live with the fact that there will be no peace without us (Palestinians). We do not need another Camp David conspiracy," said Kamal, an activist with the Popular Front for the Liberation of Palestine.

While the hardliners oppose Mr. Baker's efforts to bring peace, some other Palestinians hope that the Americans will bring pressure on Israel to leave the occupied territories.

"Bush's administration has to be firm and tough with Israel if it is serious about getting the peace process moving," said Ahmad Al Massri, a 37-year-old moneymenager in Nablus. "There will be no end to the Israeli-Arab conflict without ending the Israeli occupation."

The 1978 accords offered the Palestinians a limited "autonomy" to be followed by talks later on the occupied territories' final status.

"We are concerned about the kind of participation in a peace conference and if such a conference might achieve something concrete," Mr. Abu Ayyash said.

In the streets of the occupied territories, where most people

Moscow gets an economic prize

(Continued from page 1)

the institute.

"This dispute could hamper your integration into the world economy, and we want to do whatever we can to help both of you to resolve it," Mr. Bush said.

The summit provided the setting for the signing of a landmark arms accord and a series of economic agreements. One of them pledged U.S. assistance to improve food distribution, transportation, oil exploration, conversion of military plants and economic education. The White House said Mr. Bush would ask Congress for up to \$20 million for the programme.

The two leaders Wednesday will sign the Strategic Arms Reduction Treaty, the first accord of the nuclear age to actually reduce nuclear arsenals. With tensions disappearing, Mr. Bush said, "there won't be any bold new (arms) proposal on the part of the United States."

Instead, "President Gorbachev and I hope to build upon this beginning to forge a U.S.-Soviet agenda built not upon military confrontation but upon economic and security cooperation," Mr. Bush said.

In a diplomatically sensitive effort to promote ties with democratic reformers, Mr. Bush will meet Wednesday with members of the fledgling anti-Communist opposition, including Eduard Shevardnadze, the former foreign minister who resigned while warning of a Kremlin dictatorship.

On Thursday, Mr. Bush will travel to Kiev and address leaders of the Ukraine. The visit presents Mr. Bush with the challenge of saluting the importance of the republics while, at the same time, underscoring support for Mr. Gorbachev.

Following is a look at agree-

ments signed Tuesday as part of summit.

Aviation security: Accord sets forth procedures to be followed in the event of an airline hijacking or sabotage in the territory of either country, including communications and assistance in criminal proceedings.

Disaster assistance: The accord will set up a system for "timely and direct exchange" of information, requests for assistance and joint responses in the event of natural or man-made disasters.

Medical supplies: The agreement formalizes a programme he began earlier by Mr. Bush to provide to the Soviet Union medical products that are in short supply.

Administered through the private organisation Project Hope, it has already provided \$8 million in supplies to the Baltics, the Ukraine, Kazakhstan and Uzbekistan, as well as a burn treatment centre and AIDS clinic in Moscow.

Housing construction and finance: The programme, to be im-

plemented through the Department of Housing and Urban Development, will focus on:

— Converting government-owned housing to non-government ownership;

— Expanding housing supply and home-ownership opportunities;

— Encouraging construction by setting up and managing non-government housing finance institutions;

— Developing policies, including free-enterprise zones, to encourage construction and rehabilitation;

— Developing a private sector construction industry that supports private initiative.

Technical economic cooperation: The agreement seeks to expand economic cooperation between the two countries to food distribution, energy, defence conversion, economic education and transportation. Currently unfunded, the Bush administration supports pending legislation that would provide \$15 to \$20 million in the 1992 fiscal year.

Egypt assails Israel

(Continued from page 1)

Egyptian President Hosni Mubarak and Foreign Minister Musa on Wednesday.

Mr. Musa told reporters Monday night: "The stage is very crucial, the talks are very important."

Mr. Levy insisted Tuesday that relations were getting better between Israel and Egypt.

Egypt is "not putting any conditions, heaven forbid, or telling Israel do this or else we won't advance" towards peace negotiations, Mr. Levy said. "We are in a period where we believe it more possible than ever to advance to peace."

Mr. Levy began the first trip to Cairo by a senior Israeli cabinet minister in two years Monday, and he continues his talks with

the parallel initiative... there are things Israel has done. There are things Israel will not do," he told reporters during his morning tour of the Egyptian capital.

Mr. Levy, visibly irritated by reporters' questions on the deadlock over who should represent Palestinians at peace talks, said:

"We are not facing a situation where Egypt dictates or imposes conditions. We are consulting as two nations at peace."

Mr. Levy began the first trip to Cairo by a senior Israeli cabinet minister in two years Monday, and he continues his talks with

the parallel initiative... there are things Israel has done. There are things Israel will not do," he told reporters during his morning tour of the Egyptian capital.

Mr. Levy, visibly irritated by reporters' questions on the deadlock over who should represent Palestinians at peace talks, said:

"We are not facing a situation where Egypt dictates or imposes conditions. We are consulting as two nations at peace."

Mr. Levy began the first trip to Cairo by a senior Israeli cabinet minister in two years Monday, and he continues his talks with

Mediterranean cooperation seen as best hope for North Africa

By Tom Porteous

and economic misery by installing an Islamic state.

For Mr. Mimouni the main source of this drama is not so much the failure of Algeria's post-independence socialism as the failure of Algerian society to assimilate the modernity that fueled progress of the 20th century. Not that modernity did not also produce disasters, especially in the developing world. The problem, says Mr. Mimouni, is that modernity was born in the West; it was the product of a historical evolution and carried with it a collection of values such as the primacy of rationality and the freedom of the individual that were put in place over a long period of time. But when modernity arrives in a country like Algeria, the values that it carries contradict those of the traditional local society, such as honour and tribal or communal solidarity.

"The problem that we have in opening up to modernity is that when it enters, old values are destroyed but are not replaced with new standards," Mr. Mimouni explains. Not even language has escaped the hiatus between tradition and modernity; it is a fact of which Mr. Mimouni, an Arab writer working in French, is highly conscious. In school the language was French, "the language of modernity," but in the street, he says, it was Arabic, "the language of tradition." Even today, he admits, "the individual is impaired as a result of not being able to write in his mother tongue, which contains more sensuality, more affection."

Among his students today at the Ecole Supérieure de Commerce, Mr. Mimouni detects another effect of Algeria's failure to come to terms with modernity. He says their attitude displays "a total disaffection with learning. They attend school solely to obtain a diploma so that they can get a job. But they don't believe anything that they are taught. In their minds they make a very clear distinction between how they are going to live their lives and what they have learned in school."

They took the worst from one system and added the worst from another," says Mr. Mimouni.

"That resulted in disasters... in effect one had neither the advantages of a socialist economy nor the benefits of an Arabic Islamic society."

He pauses and looks out of the restaurant's large picture window at the port and bay of Algiers. The other patrons have left, and the waiters are hovering around the kitchen doors, impatience to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an end to the social

impunity to close for the afternoon siesta. Everything about his big, empty restaurant — the worn white tablecloths, the overstaffing, the indifferent service and overcooked food, the melancholy charm and memories of a bygone colonial splendor — seems to reflect something of Algeria's bleak modern history.

The streets and alleys nearby

are crowded with unemployed youths. Troops and tanks are guarding main roads and government buildings, enforcing a state of siege imposed to quell mass demonstrations by fundamentalists seeking an

Sports

1 year to go for Barcelona summer Olympic Games

BARCELONA (AP) — With one year to go before the summer Olympics, Barceloná is vibrating to the sound of construction equipment and the thrill of live athletic competition.

In the new Olympic Port, competitors in the city's second international regatta peel off drenched tee-shirts before stowing their crafts. The sails still doting the harbour are dwarfed by the towers of the Olympic Village and the sweep of reclaimed beaches.

On top of Montjuic Hill, Sant Jordi Sports Palace echoes with the sounds of world championship judo. Down the hill young Greco-Roman wrestlers grapple away, while Spanish swimmers churn up the waters to earn top honours in the national championships.

All around greater Barcelona, workers at littered construction sites labour overtime to put the finishing touches on something—or start building something else. A year from now, all this will seem quaint.

The enormity of the Olympic project is enough to scare the faint-hearted or the sceptical—and there is no lack of sceptics in this wizened Mediterranean city.

"You cannot take on an operation of this scope if you are scared or uncertain," chief organiser Josep Miquel Abad said. "It will

be a minor miracle, but everything will be finished."

Because of the Olympics, Barcelona in 1992 will be a drastically different city than the one that won the right to stage the games back in 1986.

A recent government study estimated at \$9.4 billion the total amount of money that will be invested in and around Barcelona in the six years leading up to the Olympics, which are to run from July 25 to Aug. 9 next year.

Nearly 60 per cent of it is public money, most of it to be spent to revamp roads, railways, the Barcelona Airport, public transport, sewage systems and other public works.

Some \$2 billion is being spent on Poble Nou, the seaside neighbourhood now rising from the rubble of a decayed industrial area that had been cut off from the rest of the city by railroad tracks. Poble Nou is to be completed this year.

The government is shouldering the cost of building beaches, a highway, parks, the Olympic Port, an entirely new city sewage system, underground train tracks and a 4-kilometre shoreline promenade.

Private backers are putting up another \$1.1 billion to build the Olympic Village, which will later become a mixed zone of private residences, high-rise offices,

hotels and restaurants.

With the enormous expenditures on projects surrounding the Olympics, it is tempting to believe the games themselves are the least of COOB's worries. Not true.

Organising the Olympics carries a seven-year cost of \$1.4 billion, all of which should be recovered if the Barcelona Olympic Organising Committee (COOB) budget pans out. Television rights will account for nearly \$500 million of the committee's income.

By the end of the summer, all but two of the Olympic venues are expected to be finished, and half of them tested in a summer-long baptism of fire dubbed competitions '91.

Abad said the organisation will rely on resort towns up and down the coast to lodge those who don't fit in the city. Beefed up public transport will link the towns to Barcelona.

As for simple fans, that's a different story. Authorised travel agencies outside Spain have already sold their allotted share of tickets. Committee operations chief Pedro Fontana advised against showing up without arranging for a room.

Fontana also admitted his group could do nothing to prevent prices from shooting up during the games.

The prices of hotel rooms or apartments, for those that can find them, is as high as demand permits. Some Barcelona residents who plan to flee to the coast are renting houses for a cool 1 million pesetas (\$10,000) a week.

"These are manoeuvres with live ammunition," he said.

But the dry runs provide only a taste of what's to come. During the test competitions, for example, the credentials centre is handling 17,000 people. During the games, 137,000 people must be accredited.

On each day of Olympic competition, half a million people are expected to be roaming around Barcelona, a congested city of 1.7

million inhabitants squeezed between a mountain range and the sea.

In addition to city residents and fans, that includes 45,000 athletes, journalists, officials, sponsors and guests and 24,000 extra security personnel who will have the thankless task of discouraging terrorists.

The huge demand for lodgings has forced organisers to be creative. Sponsors, for example, will be housed in 11 luxury liners docked in the port.

Abad said the organisation will rely on resort towns up and down the coast to lodge those who don't fit in the city. Beefed up public transport will link the towns to Barcelona.

As for simple fans, that's a different story. Authorised travel agencies outside Spain have already sold their allotted share of tickets. Committee operations chief Pedro Fontana advised against showing up without arranging for a room.

Fontana also admitted his group could do nothing to prevent prices from shooting up during the games.

The prices of hotel rooms or apartments, for those that can find them, is as high as demand permits. Some Barcelona residents who plan to flee to the coast are renting houses for a cool 1 million pesetas (\$10,000) a week.

"These are manoeuvres with live ammunition," he said.

But the dry runs provide only a taste of what's to come. During the test competitions, for example, the credentials centre is handling 17,000 people. During the games, 137,000 people must be accredited.

On each day of Olympic competition, half a million people are expected to be roaming around Barcelona, a congested city of 1.7



An athletics event during the Arab Youth Championships held in Morocco in 1989 (File photo)

Jordan to host Arab athletics tournament

By Ahmad Ismail
Special to the Jordan Times

AMMAN — Jordan will host an Arab athletics tournament after resumption of the activities of Arab Athletics Federation (AAF), according to sources at the Jordanian Athletics Federation (JAF).

The sources told the Jordan Times that Jordan's representative to the recent AAF meeting in Cairo, Najeb Abu Al Sharr, had extended invitations to the Arab federations to take part in this meeting.

Mr. Sharr called on Arab federations "to mobilise their sports potentials and clean the atmosphere of joint Arab cooperation in such a way that they can re-build the structure of Arab

sports," the sources said.

In view of the vital role played by Jordan and certain Arab federations at the Cairo meeting, the AAF has postponed the adoption of Iraq's suspension from the AAF's activities and will refer this subject to the meeting of Arab sport and youth ministers to be held in Cairo.

During the Cairo meeting, the AAF decided to hold the seventh Arab Youth Athletics Championship in Syria next September and named Mr. Nadhim Al Said, to represent the AAF during the event. The meeting decided to organise a training course for Arab officials in Cairo next October to acquaint them with the new law on long-distance races. A referees course will also be held simultaneously with the Arab Youth Tournament.

Shriver, Tauziat advance at Mazda Tennis Classic

CARLSBAD, California

(AP) — Pam Shriver used a strong serve to beat Jo Durie 6-3, 6-4 and seventh-seeded Barbara Paulus topped Christine Paparaki 6-2, 6-3 in other matches.

Shriver, ranked 33rd, will be making her second career appearance against the 17-year-old Seles. A year ago, she lost to Seles 6-2, 7-6 in the Virginia Slims of Washington.

"I hope my serve is working, that I can stay with her, keep it close and rely on experience," said Shriver, last ranked in the top 10 when she was ninth in 1988.

Earlier, Anne Minter of Australia won six straight games on the way to a 6-3, 6-4 victory over eighth-seeded Lantia Gildemeister of Peru.

Sixth-seeded Nathalie Tauziat held off Kathy Rinaldi 6-3, 4-6, 6-4 and seventh-seeded Barbara Paulus topped Christine Paparaki 6-2, 6-3 in other matches.

Shriver, ranked 33rd, will be

making her second career appear-

ance against the 17-year-old Seles. A year ago, she lost to Seles 6-2, 7-6 in the Virginia

Slims of Washington.

"I hope my serve is working, that I can stay with her, keep it close and rely on experience," said Shriver, last ranked in the top 10 when she was ninth in 1988.

Earlier, Anne Minter of Aus-

tralia won six straight games on

the way to a 6-3, 6-4 victory over eighth-seeded Lantia Gildemeis-

ter of Peru.

Sixth-seeded Nathalie Tauziat

held off Kathy Rinaldi 6-3, 4-6,

6-4 and seventh-seeded Barbara

Paulus topped Christine Paparaki 6-2, 6-3 in other matches.

Shriver, ranked 33rd, will be

making her second career appear-

ance against the 17-year-old Seles. A year ago, she lost to Seles 6-2, 7-6 in the Virginia

Slims of Washington.

"I hope my serve is working,

that I can stay with her, keep it

close and rely on experience,"

said Shriver, last ranked in the

top 10 when she was ninth in

1988.

Budd-Pieterse to race in U.K.

LONDON (AP) — South Afri-

can running Zola Budd-Pieterse

could return to Britain for a race

in September if her country is

fully reinstated track's governing

body, a press report said Mon-

day.

According to the Evening Stan-

dard, she is being lined up for the

Great London Run which will be

held on Sept. 8.

The plan is to invite a South

African team, including Budd-

Pieterse, to take part in the race

around the revamped docklands

in her left leg.

Earlier, Anne Minter of Aus-

tralia won six straight games on

the way to a 6-3, 6-4 victory over

eighth-seeded Lantia Gildemeis-

ter of Peru.

Sixth-seeded Nathalie Tauziat

held off Kathy Rinaldi 6-3, 4-6,

6-4 and seventh-seeded Barbara

Paulus topped Christine Paparaki 6-2, 6-3 in other matches.

Shriver, ranked 33rd, will be

making her second career appear-

ance against the 17-year-old Seles. A year ago, she lost to Seles 6-2, 7-6 in the Virginia

Slims of Washington.

"I hope my serve is working,

that I can stay with her, keep it

close and rely on experience,"

said Shriver, last ranked in the

top 10 when she was ninth in

1988.

Earlier, Anne Minter of Aus-

tralia won six straight games on

the way to a 6-3, 6-4 victory over

eighth-seeded Lantia Gildemeis-

ter of Peru.

Sixth-seeded Nathalie Tauziat

held off Kathy Rinaldi 6-3, 4-6,

6-4 and seventh-seeded Barbara

Paulus topped Christine Paparaki 6-2, 6-3 in other matches.

Shriver, ranked 33rd, will be

making her second career appear-

ance against the 17-year-old Seles. A year ago, she lost to Seles 6-2, 7-6 in the Virginia

Slims of Washington.

"I hope my serve is working,

that I can stay with her, keep it

close and rely on experience,"

said Shriver, last ranked in the

top 10 when she was ninth in

1988.

Earlier, Anne Minter of Aus-

tralia won six straight games on

the way to a 6-3, 6-4 victory over

eighth-seeded Lantia Gildemeis-

ter of Peru.

Sixth-seeded Nathalie Tauziat

held off Kathy Rinaldi 6-3, 4-6,

6-4 and seventh-seeded Barbara

Paulus topped Christine Paparaki 6-2, 6-3 in other matches.

Shriver, ranked 33rd, will be

making her second career appear-

ance against the 17-year-old Seles. A year ago, she lost to Seles 6-2, 7-6 in the Virginia

Slims of Washington.

"I hope my serve is working,

that I can stay with her, keep it

close and rely on experience,"

Financial Markets in co-operation with Cairo Arman Bank U.S. Dollar for International Markets

Currency	New York Close	Tokyo Close
Date: 29/7/1991		
Sterling Pound	1.6625	1.6577
Deutsche Mark	1.7476	1.7427
Swiss Franc	1.5965	1.5203
French Franc	5.9235	5.9265 **
Japanese Yen	137.85	137.83
European Currency Unit	1.1795	1.1781 **

USD Per STD European Opening at 1.1800 U.S. CMT

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26	10.15	10.15

Interest rate: 10% per annum excepting 1.5% interest 1 month or equivalent.

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	5.65	6.15	6.56
Sterling Pound	16.67	16.93	16.81	16.81
Deutsche Mark	8.93	9.17	9.45	9.43
Swiss Franc	7.68	7.67	7.21	7.68
French Franc	9.50	9.50	9.55	9.65
Japanese Yen	7.37	7.34	7.15	7.00
European Currency Unit	9.75	10.26		

World News

De Klerk to announce cuts in covert operations

JOHANNESBURG (AP) — Major cuts in covert operations were expected after President F.W. de Klerk removed his top two security chiefs in an effort to revive talks on ending white-minority rule.

Mr. de Klerk was to address the nation on a government shake-up in which he demoted the ministers of the armed forces and police. Government officials said he would announce changes in secret funding of black political groups and reduce covert political activities to try and restore the administration's credibility.

The president stunned South Africans late Monday by demoting two powerful cabinet figures — Defence Minister Magnus Malan and Police Minister Adriaan Vlok. The move followed a scandal over covert funding of the conservative black Inkatha Freedom Fund.

The African National Congress (ANC), the main black opposition group, said Tuesday the demotions were not sufficient and it wanted Mr. Volk and Mr. Malan dismissed from the government. The ANC had demanded the

ministers' dismissal as a condition to resuming talks on a new constitution.

"The removal of guilty parties from the cabinet is what we demanded, and that does not mean shifting them around from pillar to post," said ANC Deputy President Walter Sisulu.

But other ANC officials, who declined to be named, said Mr. de Klerk's moves were a welcome start and a compromise might be possible.

The pro-apartheid Conservative Party denounced the changes, claiming Mr. de Klerk was losing control and his plans to end apartheid were coming apart.

"Things are crumbling. This is a puncture he (Mr. de Klerk) won't be able to fix, it's too big," said party spokesman Fedri Hartzenberg.

Government funding of Inkatha, the ANC's main rival, undermined Mr. de Klerk's claim that the government was impartial and acting in the interests of all South Africans by ending apartheid.

Mr. de Klerk also used the scandal to remove the last of the

cabinet hardliners from the previous government of P.W. Botha and move up moderates committed to reform. Two moderates closely allied to Mr. de Klerk, Hennus Kriel and Roelof Meyer, were named as replacements.

Foreign Minister Pik Botha, a close confidante of Mr. de Klerk who acknowledged authorizing the money for Inkatha, held his post.

Mr. Malan takes over the water affairs and forestry portfolio and Mr. Volk will head correctional services.

Mr. de Klerk's statement simply announced the changes and made no reference to the Inkatha scandal.

The dismissals were expected to anger white hardliners, who saw Mr. Volk and Mr. Malan as a conservative brake on Mr. de Klerk's reforms.

A senior South African police officer expressed dismay Tuesday over Mr. Vlok's departure.

Brig. Gen. Leon Mellet said, "he was a great communicator, a wonderful minister for the police, and is greatly admired by the South African Police."



F.W. de Klerk

Meanwhile the newly-appointed law and order minister said on British radio Tuesday that South Africa needs a stronger but more credible police force.

"I would strive for a stronger and more effective police force than there is at the moment," Kriel told the British Broadcasting Corporation (BBC).

"I think the first thing that we will have to do is to promote a police force that will at all times act in an unbiased way to each and every citizen of our country, to each political grouping. I think it is very, very important that we establish the credibility of the police force."

Croats say they are outmanned, outgunned by Serbs and army

SISAK, Yugoslavia (AP) — Croatian police and guardsmen resolutely defend their soil just an hour's drive south of the republic's capital. But they see theirs as a losing battle against Serbian militias they claim are backed by federal troops.

The chief coordinator of Croatian military operations in this district town, 60 kilometres south of Zagreb, says his forces are outmanned and outgunned.

"At this moment there is no chance to recapture territory" lost to armed Serbs, district Police Chief Djuro Brodarac told reporters visiting his office Tuesday.

"That territory is controlled and protected by the army," he said.

Croat forces have suffered heavier casualties than the Serbs and have nearly been pushed out of the region of Croatia along the Bosnian border in the south and east of Zagreb, a region known as the Banija.

Chief Brodarac expects the Serbs to attack Petrinja, a small town some eight kilometres southwest and the scene of violent clashes recently, or even Saturday.

That would edge the frontline in Banija further north, and raise fears even the Croatian capital

will have to be defended in an all-out war.

Croatia proclaimed its intent to secede from Yugoslavia on June 25. Leaders of the rival Yugoslav Republic of Serbia immediately vowed not to abandon the 600,000 ethnic Serbs within Croatia's boundaries. Croatia has about 6 million people.

Since then, more than 100 people have died in fighting between Croats and Serbs, with the federal army sometimes intervening.

Sixty have been more positive in Yugoslavia's other independence-minded republic, Slovenia, where a ceasefire has held for more than three weeks.

Croatia's nationalist-oriented leadership accuses Serbia and the army of actively supporting the armed Serbian militias, claiming they are mapping out the new frontiers of a "greater Serbia" to emerge from the ashes of Yugoslavia, if the federation disintegrates.

Croatia would then be left as an economically and politically feeble state. It could lose Slavonia, its fertile eastern breadbasket, and Krajina, a poorer southwestern area situated between Zagreb and Croatia's prosperous Dalmatian coast.

The army, led by a Serb-

COLUMN 8

Never argue with a lion

SYDNEY (R) — For the lion it was a case of mistaken identity. For his tamer, with 17 stiches in his thigh, it was a case of never argue with a lion even if he's in the wrong. Australian Bruce Russell was attacked by two-year-old Samson, a 250-kilogramme lion, after Samson mistook Mr. Russell's whip for his pet boar. "For some reason he thought the whip was a bone and thought he'd have a chew," Mr. Russell told reporters. "I tried to take it back and he bit me." The mauling occurred while Mr. Russell, owner of the travelling Circus' Circus, and Samson were posing for photographs at Tweed Heads on the New South Wales coast. "It was a perfectly natural action to protect what he considered to be his bone," Mr. Russell said. In true circus tradition Mr. Russell said the show would go on and he would be back in the ring with Samson each evening.

German gets virginity test in Turkey

URLA, Turkey (AP) — A German tourist was snatched from her bed at this Turkish Aegean resort and had her virginity checked, after people complained the hotel was being used as a "love nest." Press reports said the police burst into the room where Angelika Wittwer and her Turkish companion Yavuz Kaya were staying at 3 a.m. last Tuesday, took them into custody and subjected her to a virginity check. A court freed her after she spent 15 hours in detention, the reports said.

The collective presidency was to discuss ways to end ethnic clashes between Serbs, Croats and the federal army in Croatia which have killed more than 50 people since last Thursday, said Vasil Tupurkovski, Macedonia's representative to the presidency.

Tamil Nadu, strapped for drinking water, has often accused Karnataka of using more than its share of the river water. The Congress Party demands on the All India Anna Dravida Munnetra Kazhagam for its precarious survival in the Lok Sabha, the law-making, lower house of parliament.

The Congress Party won 225 seats in the May-June elections. It is supported by All India Anna Dravida Munnetra Kazhagam's 11 seats and 9 members of other smaller parties. Although nine seats short of a majority in the 507-member house, the Congress survives with the tacit support of a centrist-leftist alliance.

The Congress Party won 225 seats in the May-June elections. It is supported by All India Anna Dravida Munnetra Kazhagam's 11 seats and 9 members of other smaller parties. Although nine seats short of a majority in the 507-member house, the Congress survives with the tacit support of a centrist-leftist alliance.

Capriati eradicates 'you know' from repertoire

NOTTINGHAM, England (AP) — The U.S. team scored a linguistic victory even though it lost the final to Spain in the Federation Cup. With a lot of help from their teammates, Jennifer Capriati said she has won her battle to rid the dreaded words "you know" from her vocabulary. The 15-year-old Floridian, whose brand of teen-speak has been a hit with headline writers since she turned pro last March, is famous for her frequent use of "you know" at the beginning, middle and end of sentences. Writers often compete during press conferences to count how many "you know's" Capriati can utter in a minute. But Capriati said that is a thing of the past. "I just saw myself on TV and I definitely realised how many times I said it. I told my teammates to hit me every time I said it," Capriati said. Gigi Fernandez, Mary Joe Fernández, and Zina Garrison obliged, poking or glaring at Capriati each time she used the phrase during the early days of the week-long Federation Cup. By Sunday, Capriati was able to announce: "I've gotten better, I think." Gigi Fernandez, who lost in doubles as the U.S. squad was defeated 2-1 by Spain, declared: "Anti-you know campaign success and added: "At least we won something."

Turkish men offered 'Islamic' bathing costume

ANKARA (R) — Turkish men can now buy "Islamic-style" bathing costumes which cover the body from hip to knee and do not cling to the figure when wet. They come from the Tekkie Tesettür Giyim Factory in the central city of Kayseri, which specializes in religiously correct clothing, the semi-official Anatolian News Agency reported. Factory owner Mustafa Soke told the agency the swim suits were "truly Islamic style." According to Islamic style dressing a man's swimsuit must have to start from his hip and cover everything "down to the kneecap," he said. And they "do not cling to the body when wet."

70 more rebels die in Sri Lankan battle

COLOMBO (AP) — The battle for Elephant Pass, the fiercest war between the government and the Tamil rebels since their separatist campaign began, raged on as troops killed 70 more guerrillas, military officials said Tuesday.

The rebels were killed by government reinforcements battling their way toward the besieged army camp in the rebel-held north, officials said.

Four soldiers and a lieutenant also were killed as hundreds of guerrillas fiercely resisted the advancing columns of some 8,000 soldiers Monday, the military said. Twelve soldiers were seriously wounded in the offensive.

Troops punched through rebel defences and occupied their fortified bunkers, according to a senior official at the joint operations command in Colombo.

But the official said soldiers

have only advanced 500 metres in the direction of the camp since Sunday. He spoke on the condition of anonymity.

It was not immediately known how close the troops were from the Elephant Pass army camp, officials said.

The camp, which straddles a causeway leading to the rebel-held Jaffna peninsula, has been under siege by rebel fighters for the past 21 days.

Eight-hundred soldiers are trapped within the camp by guerrillas of the Liberation Tigers of Tamil Eelam (LTTE), who control most of the north. The Tigers have long wanted to destroy the camp 295 kilometres northeast of the capital of Colombo, to gain free access to the Jaffna peninsula.

On the fifth day of the siege, the government rushed about 3,000 fresh soldiers, but the troops failed to reach the camp because of heavy resistance by the Tigers.

More troops were sent early this week but their advance has been hampered by the heavily mined jungle terrain.

So far, 143 soldiers and 1,190 rebels have been killed, according to the government.

There was no independent confirmation of the death toll because of poor communications and the lack of civilian witnesses in the area. The Tigers have not disclosed their casualties for the past two weeks.

The battle for Elephant Pass is easily the single largest confrontation between the two sides since the insurrection began in 1983, Defence Secretary Gen. Cyril Ranatunga said earlier this month.

Duvalierist convicted of attempted coup in Haiti

PORT-AU-PRINCE (AP) — Ousted dictator Jean-Claude Duvalier's security chief was convicted Tuesday of leading an attempted coup and sentenced to life at hard labour.

"Justice has been postponed," Roger Lafontant told the privately owned Radio Metropole.

The 12-member jury pronounced its verdicts at 6:30 a.m. after deliberating all night. Mr. Lafontant and his 21 accomplices were all found guilty.

Mr. Lafontant, 55, was charged with leading a Jan. 6 coup against the former civilian government of President Ertha Pascal-Trouillot in an attempt to keep President Jean-Bertrand Aristide from taking power.

The 37-year-old Roman Catholic priest, who campaigned on a radically anti-Duvalierist platform, was elected by a landslide on Dec. 16 in Haiti's first fully democratic elections since independence from France in 1804.

Mr. Aristide was inaugurated on Feb. 7, the fifth anniversary of the fall of dictator Jean-Claude "Baby Doc" Duvalier.

Judge Arnold Charles sentenced four of the defendants, found guilty with attenuating circumstances, to 10 years at hard labour.

Judge Charles sentenced the 18 others, including Mr. Lafontant, to life at hard labour. The government prosecutor had asked for 15 years at hard labour.

The prisoners were then led back to the national penitentiary.

Mr. Lafontant and the others have three days to appeal.

Mr. Lafontant was formally charged with "attempting a coup d'état and plotting against the internal security of the state."

Information Minister Marie-Laurence Jocelyn Lassegue praised the trial and its outcome.

Mr. Casambre, with a bounty of half a million pesos (\$17,800) on his head, was arrested Monday in a downtown street. His wife, alleged NPA personnel staff chief, was captured at the couple's hideout.

Gen. Enrile said the convergence of several senior guerrillas in Manila suggested that the NPA, the Philippine Communist Party's military wing, was "planning to do some intensification of their operational activities ... something big."

"With the arrest of these important people, I am very sure that what they are planning to do has been derailed," he said.

The 22-year Communist insurgency has been largely confined to the Philippine countryside. In recent years, the guerrillas, fighting for a Marxist state, have shifted small "sparrows" units to Manila, killing military and police officers in street ambushes.

Meanwhile President Corazon Aquino's government has asked the United States to extend the ban that keeps Imelda Marcos from leaving the country, a Filipino official and Mrs. Marcos' lawyer said Tuesday.

The embargo also blocks high-technology transfers to Vietnam and hampers trade with third countries.

Mr. Solomon did not talk to reporters after the meeting, the sixth high-level contact since official contacts began in August 1990.

They discussed recent speculation in the United States about the possible survival of U.S. airmen, Mr. Le Mai said.

"They realise we have done a tremendous amount on this issue," he said.

Mr. Solomon did not talk to reporters after the meeting, the sixth high-level contact since official contacts began in August 1990.

They discussed recent speculation in the United States about the possible survival of U.S. airmen, Mr. Le Mai said.

"It is not in the Vietnamese interest whatsoever to keep American prisoners for years like this," Mr. Le Mai said.

"However, in the sense of cooperation I told them if there is any evidence about a living American in Vietnam, even if the chance is zero point zero zero of one per cent, we agree to a joint

Indian premier faces 1st crisis

NEW DELHI (AP) — India's labour minister resigned Monday in a water-sharing dispute that threatens the fragile governing coalition.

Press Trust of India (PTI) said the Minister of State for Labour, Vazhapadi Ramamurthy, resigned to protest government action on a river water dispute between the southern states of Tamil Nadu and Karnataka.

The government had decided Saturday to ask the supreme court to resolve the dispute to end 25 years of wrangling on sharing the Cauvery River water.

Mr. Ramamurthy, 55, was charged with leading a Jan. 6 coup against the former civilian government of President Ertha Pascal-Trouillot in an attempt to keep President Jean-Bertrand Aristide from taking power.

Karnataka is governed by the Congress Party.

The water dispute flared earlier this month when Karnataka re-

fused to obey the tribunal's order to release dammed water in the Cauvery River, which flows from Karnataka to Tamil Nadu.

Tamil Nadu, strapped for drinking water, has often accused Karnataka of using more than its share of the river water.

The Congress Party demands on the All India Anna Dravida Munnetra Kazhagam for its precarious survival in the Lok Sabha, the law-making, lower house of parliament.

The Congress Party won 225 seats in the May-June elections. It is supported by All India Anna Dravida Munnetra Kazhagam's 11 seats and 9 members of other smaller parties. Although nine seats short of a majority in the 507-member house, the Congress survives with the tacit support of a centrist-leftist alliance.

The Congress Party won 225 seats in the May-June elections. It is supported by All India Anna Dravida Munnetra Kazhagam's 11 seats and 9 members of other smaller parties. Although nine seats short of a majority in the 507-member house, the Congress survives with the tacit support of a centrist-leftist alliance.

Capriati eradicates 'you know' from repertoire

NOTTINGHAM, England (AP) — The U.S. team scored a linguistic victory even though it lost the final to Spain in the Federation Cup. With a lot of help from their teammates, Jennifer Capriati said she has won her battle to rid the dreaded words "you know" from her vocabulary. The 15-year-old Floridian, whose brand of teen-speak has been a hit with headline writers since she turned pro last March, is famous for her frequent use of "you know" at the beginning, middle and end of sentences. Writers often compete during press conferences to count how many "you know's" Capriati can utter in a minute. But Capriati said that is a thing of the past. "I just saw myself on TV and I definitely realised how many times I said it. I told my teammates to hit me every time I said it," Capriati said. Gigi Fernandez, Mary Joe Fernández, and Zina Garrison obliged, poking or glaring at Capriati each time she used the phrase during the early days of the week-long Federation Cup. By Sunday, Capriati was able to announce: "I've gotten better, I think." Gigi Fernandez, who lost in doubles as the U.S. squad was defeated 2-1 by Spain, declared: "Anti-you know campaign success and added: "At least we won something."

Turkish men offered 'Islamic' bathing costume